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Senate File 481

1 Amend Senate File 481 as follows:
2 1. By striking everything after the enacting clause
3 and inserting:
4 <Section 1. ADULT DISABILITY SERVICES SYSTEM
5 REDESIGN.
6 1. For the purposes of this section, "disability
7 services" means services and other support available
8 to a person with mental illness or an intellectual
9 disability or other developmental disability.
10 2. It is the intent of the general assembly to
11 redesign the system for adult disability services to
12 implement all of the following:
13 a. Shifting the funding responsibility for the
14 nonfederal share of adult disability services paid for
15 by the Medicaid program, including but not limited to
16 all costs for the state resource centers, from the
17 counties to the state.
18 b. Reorganizing adult disability services not paid
19 for by the Medicaid program to be administered by
20 the counties on a regional basis, providing for the
21 regions to serve as single point of entry for the adult
22 disability services not funded by the Medicaid program.
23 c. Devising new approaches for addressing the needs
24 for publicly funded services for persons with brain
25 injuries.
26 d. Implementing contracting between the state
27 and the county regions, designating a region to serve
28 as a Medicaid local point of access, and provider
29 of case management or service coordination, service
30 navigation support, and assistance with service intake.
31 The region will determine the Medicaid targeted case
32 management provider for the region. In addition, the
33 region will coordinate and liaison with the department
34 of human services concerning the adult disability
35 services covered by the Medicaid program so that
36 services covered by that program and the region are
37 integrated and coordinated.
38 e. Implementing measures for Medicaid and
39 non-Medicaid services to be provided in the most
40 community-based, least restrictive, and integrated
41 setting appropriate to a consumer's needs.
42 f. Providing funding in order for the state to
43 assume the nonfederal share of the Medicaid program
44 costs by means of the state retaining the following
45 funding sources currently distributed to the counties
46 for adult disability services:
47 (1) Appropriations made for purposes of the mental
48 health and developmental disabilities community
49 services fund in accordance with section 225C.7.
50 (2) Appropriations made for purposes of the allowed

1 growth factor adjustment as described in sections
2 331.439 and 426B.5.

3 (3) Appropriations made for the property tax
4 relief fund pursuant to section 426B.1 and replacement
5 generation tax revenues deposited in the fund pursuant
6 to section 437A.15.

7 g. Maintaining the following funding sources for
8 the county regional system:

9 (1) Appropriations made for state cases services
10 under section 331.440, Code 2011.

11 (2) Distribution of the federal social services
12 block grant allocation for local purchase.

13 h. Addressing county property tax funding for adult
14 disability services on a regional basis and revising
15 property taxation for adult disability services to a
16 levy rate that is uniform, adequate, and fair.

17 i. Creating new state funding sources for the
18 following purposes:

19 (1) To serve as an incentive and to defray new
20 administrative costs for reorganizing adult disability
21 services to be administered by counties on a regional
22 basis.

23 (2) For regions to bid to implement demonstration
24 projects to test new evidence-based adult disability
25 services for periods of three to five years.

26 (3) For counties to test innovative approaches for
27 the delivery of adult disability services.

28 j. Providing for the department of human services
29 to work with counties and other stakeholders to
30 identify the core adult disability services to be
31 available in each region and to establish standards for
32 the regional system.

33 k. Addressing the needs of consumers with
34 co-occurring disorders in a manner that is seamless to
35 the consumers.

36 1. Replacing legal settlement as the basis
37 for determining financial responsibility for
38 publicly funded disability services by determining
39 responsibility based upon residency.

40 3. Beginning on the effective date of this Act and
41 continuing through the fiscal year beginning July 1,
42 2011, the department of human services shall consult
43 with a stakeholder group formed by the department in
44 developing a plan and implementation provisions for a
45 system for adults in need of publicly funded disability
46 services and related support, proposing but not limited
47 to all of the following:

48 a. Identifying clear definitions and requirements
49 for the following:

50 (1) Eligibility criteria for the individual to be

1 served.

2 (2) The array of core services and other support
3 to be included in regional adult disability services
4 plans and to be delivered based on individual needs and
5 medical necessity.

6 (3) Outcome measures, including but not limited to
7 measures addressing individual choice, empowerment, and
8 community.

9 (4) Quality assurance measures.

10 (5) Provider accreditation, certification,
11 or licensure requirements to ensure high quality
12 services while avoiding unreasonable expectations and
13 duplicative surveys.

14 (6) A process to evaluate and resolve workforce
15 shortage issues.

16 (7) Input in regional service plans and delivery
17 provisions by consumer and provider representatives.

18 (8) A process for representatives of the regional
19 system to regularly engage the department in
20 resolving Medicaid and non-Medicaid issues involving
21 documentation requirements, electronic records,
22 reimbursement methodologies, and other measures to
23 improve the services and other support available to
24 consumers.

25 b. Incorporating strategies to allow individuals
26 to receive services in accordance with the principles
27 established in *Olmstead v. L.C.*, 527 U.S. 581 (1999),
28 in order for services to be provided in the most
29 community-based, least restrictive, and integrated
30 setting appropriate to an individual's needs.

31 c. Continuing the department's leadership role
32 in the Medicaid program in defining services covered,
33 establishing reimbursement methodologies, providing
34 other administrative functions, and expanding the
35 program to incorporate the opportunities provided by
36 the federal Patient Protection and Affordable Care Act,
37 Pub. L. No. 111-148.

38 d. Implementing mental health crisis response
39 services statewide in a manner determined to be most
40 appropriate by each region.

41 e. Implementing a subacute level of care to provide
42 short-term mental health services in a structured
43 residential setting that supplies a less intensive
44 level of care than is supplied by acute psychiatric
45 services.

46 4. a. The target date for full implementation of
47 the plan and implementation provisions described in
48 subsections 2 and 3 shall be July 1, 2013, provided,
49 however, that any expansion of services is subject
50 to available funding. The plan and implementation

1 provisions shall be submitted to the governor and
2 general assembly on or before December 15, 2011. A
3 progress update providing preliminary recommendations
4 delineating the major responsibilities of the
5 department and regions, the relationship of Medicaid
6 funded services to non-Medicaid services, and the
7 funding needs of regions shall be submitted to the
8 members of the joint appropriations subcommittee on
9 health and human services and the legislative services
10 agency in October 2011.

11 b. The initial plan and implementation provisions
12 shall recommend detailed core services and criteria
13 provisions for counties to affiliate with a regional
14 entity to be organized by the affiliating counties
15 under chapter 28E. Following enactment of the core
16 services and regional criteria, if a county has not
17 formally agreed to affiliate with a regional entity by
18 July 1, 2012, the county's regional affiliation shall
19 be determined by the department. The regional criteria
20 considered for recommendation shall include but are not
21 limited to all of the following:

22 (1) Requiring the region to consist of contiguous
23 counties adjoining one of the following urban
24 areas: Ames, Cedar Rapids, Council Bluffs, Davenport,
25 Des Moines, Iowa City, Sioux City, or Waterloo.

26 (2) Evaluating a proposed region's capacity
27 for providing core services and performing required
28 functions.

29 (3) Requiring the region to encompass at least
30 one community mental health center or federally
31 qualified health center with providers qualified to
32 provide psychiatric services, either directly or with
33 assistance from psychiatric consultants, that has the
34 capacity to provide outpatient services for the region
35 and has provided evidence of a commitment to provide
36 outpatient services for the region.

37 (4) Requiring the region to encompass or have
38 reasonably close proximity to a hospital with an
39 inpatient psychiatric unit or state mental health
40 institute, that has the capacity to provide inpatient
41 services for the region and has provided evidence of
42 a commitment to provide inpatient services for the
43 region.

44 (5) Requiring the administrative structure utilized
45 by a region to have clear lines of accountability and
46 to serve as a lead agency with shared county staff or
47 other means of limiting administrative costs to not
48 more than five percent of expenditures.

49 5. The legislative council is requested to
50 authorize a legislative interim study committee to meet

1 during the 2011 legislative interim and assist with the
2 adult disability services system redesign addressed
3 by this Act, to make recommendations for implementing
4 county disability services levy changes to support
5 adult disability services regions with levies that are
6 uniform, adequate, and fair, and to consider statutory
7 amendments necessary for implementation of the system
8 redesign.

9 Sec. 2. DEPARTMENT OF HUMAN SERVICES. There is
10 appropriated from the general fund of the state to
11 the department of human services for the fiscal year
12 beginning July 1, 2011, and ending June 30, 2012, the
13 following amount, or so much thereof as is necessary,
14 to be used for the purposes designated:

15 For planning costs associated with implementation
16 of this Act:

17 \$ 250,000

18 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being
19 deemed of immediate importance, takes effect upon
20 enactment.>

21 2. Title page, line 2, by striking <mental health
22 and disabilities> and inserting <adult disability>

PROPOSED COMMITTEE AMENDMENT

SF 481--Senate Mental Health Proposal

We have been working on mental health system redesign for 3 years. There is continued momentum this year to move ahead. We have received significant input. Key areas we have heard about pertain to financing, the role of County Central Points of Coordination, strategies to create efficiencies and promotion of best practice in delivery of services.

To implement the redesign of the system for adult disabilities we propose the following:

- The adult disability services will include mental illness, intellectual disability, and developmental disability.
- County funding responsibility for the nonfederal share of Medicaid adult disabilities services will be assumed by the State and means the State will be the sole payor of Medicaid services to adults with disabilities, including costs of the resource centers.
- Counties will continue to be responsible for funding non Medicaid adult disability services and will serve as the single point of entry.
- New approaches for addressing brain injury services will be developed.
- Regional entities will be established to manage the service delivery for non Medicaid services including contracts, service development, eligibility, and care coordination.
- The State will contract with the Regional entities to provide a key role in Medicaid as a local point of access, care management/coordination, service navigation and assistance with intake into services including determination of the Medicaid Targeted Case Managers for the Region. The Regions will coordinate and liaison with the State on the development and implementation of Medicaid Services to adults with disabilities so that Medicaid and non Medicaid services are provided in the most community-based, least restrictive, and integrated setting appropriate to a consumer's needs
- To support the delivery of non Medicaid services in the most cost effective manner and to address local funding pressures, counties will form Regions of their choice via 28-E agreements that meet certain criteria including:
 - Consisting of contiguous counties adjoining one of the following urban areas: Ames, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Iowa City, Sioux City, or Waterloo.
 - Adequate capacity for providing core services and performing required functions
 - Encompassing one community health center or federally qualified health center that provides mental health services, and the capacity to provide outpatient services for the region
 - Have an arrangement with a hospital or MHI for in-patient psychiatric services
 - Administrative entity has clear lines of accountability and a lead agency to limit administrative costs
- Legal settlement is eliminated.
- State retains funding currently being sent to Counties to address the newly acquired costs of Medicaid Services including: Allowed Growth; Community Services; Property Tax Relief Fund; and the Palo Property Tax Relief Fund.
- Counties will retain the following funding sources: State Cases; Social Service Block Grant; and the County Mental Health levy funds

- New funding sources will be identified for the following: Incentives to regionalize; demonstration projects; and innovative approaches for service delivery.
- State works with stakeholders to develop a plan and implementation provisions for a redesigned system and provides a report with recommendations to the General Assembly by December 15, 2011.
- State works with stakeholders to develop rate setting, eligibility, required core services and populations to be served by the Regions
- State and regions work together to develop emergency mental health services and sub acute care.
- State and regions work together to develop strategies to address co-occurring disorders
- A Legislative Interim Committee is charged to make recommendations on how to change the current MH/DD levy rate so that is uniform, adequate and fair.
- Timeline
 - Upon enactment Department works with stakeholders to develop plan
 - Progress report due October 31, 2011
 - Final report and recommendations due December 15, 2011
 - General Assembly takes action on recommendations during 2012 Session
 - Counties identify regional affiliation by July 1, 2012
 - New system implemented July 1, 2013

4/12/11

Senate Proposal – SF 481, Amendment

State Appropriations

Property Tax Relief	\$	81,199,911
Property Tax Relief (Palo)		1,167,465
MH Allowed Growth		48,697,893
MH Community Services		14,187,556
New State Funding		tbd
	\$	145,252,825

State

New funding sources will be identified for the following: Incentives to regionalize; demonstration projects; and innovative approaches for service delivery.

State pays all Medicaid claims and retains Property Tax Relief, MH Allowed Growth and MH Community Services Appropriations. Projected Medicaid need for FY 2012 is \$214.1 million and FY 2013 is \$226.7 million. Counties will use \$41.8 million projected fund balance to supplement General Fund Appropriations in FY 2012.

Regions

(formed by 28E Agreements) A Region is to consist of contiguous counties adjoining one of the following urban area: Ames, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Iowa City, Sioux City, or Waterloo. Each region is required to encompass at least one Community Mental Health Center or Federally Qualified Health Center with providers qualified to provide psychiatric services. A Region must also encompass or be in close proximity to a hospital with an inpatient psychiatric unit or State MHI.

Region Funding

County property taxes are pooled (\$125.8 million) at the regional level and the State will continue to distribute the Social Service Block Grant (\$12.5 million) and State Cases appropriation (\$12.2 million). Total funds \$150.5 million for non-Medicaid Services. A Legislative interim committee is authorized meet to discuss County MH Property Tax levy. The Committees charge is to make recommendations on how to change the current dollar capped levy so levy rates are more uniform/fair between counties.

Medicaid Services

Regions serve as a point of access and provide case management/service coordination, service navigation support, and assistance with intake.

Non-Medicaid Services

Regions serve as a single point of entry and are responsible for non-Medicaid MH/MI/ID/DD services.

State works with regions to develop required core services, populations, emergency MH services and sub acute levels of care. Additional State funding may be needed in the future for new services.